

CASCADE FINANCIAL CORPORATION

| | CPP Disbursement Date 11/21/2008 | RSSD (Holding Company) 2568362 | Number of Insured Depository Institutions 1 | | |
|---|-------------------------------------|-----------------------------------|---|------|----|
| | | | | | |
| Selected balance and off-balance sheet items | 2009 \$ millions | 2010 \$ millions | %chg from prev | | |
| Assets | \$1,706 | \$1,499 | -12.1% | | |
| Loans | \$1,199 | \$994 | -17.1% | | |
| Construction & development | \$259 | \$86 | -66.6% | | |
| Closed-end 1-4 family residential | \$204 | \$215 | 5.3% | | |
| Home equity | \$32 | \$22 | -31.0% | | |
| Credit card | \$4 | \$4 | 5.5% | | |
| Other consumer | \$2 | \$1 | -28.5% | | |
| Commercial & Industrial | \$158 | \$117 | -25.7% | | |
| Commercial real estate | \$437 | \$438 | 0.2% | | |
| | | | | | |
| Unused commitments | \$145 | \$97 | -33.0% | | |
| Securitization outstanding principal | \$0 | \$0 | | | |
| Mortgage-backed securities (GSE and private issue) | \$57 | \$92 | 62.9% | | |
| Asset-backed securities | \$0 | \$0 | | | |
| Other securities | \$207 | \$195 | -5.4% | | |
| Cash & balances due | \$147 | \$132 | -10.5% | | |
| | | | | | |
| Residential mortgage originations | | | | | |
| Closed-end mortgage originated for sale (quarter) | \$1 | \$0 | -100.0% | | |
| Open-end HELOC originated for sale (quarter) | \$0 | \$0 | | | |
| Closed-end mortgage originations sold (quarter) | \$1 | \$1 | 32.8% | | |
| Open-end HELOC originations sold (quarter) | \$0 | \$0 | | | |
| | | | | | |
| Liabilities | \$1,550 | \$1,418 | -8.6% | | |
| Deposits | \$1,141 | \$1,109 | -2.8% | | |
| Total other borrowings | \$404 | \$304 | -24.8% | | |
| FHLB advances | \$239 | \$159 | -33.5% | | |
| | | | | | |
| Equity | | | | | |
| Equity capital at quarter end | \$155 | \$81 | -47.6% | | |
| Stock sales and transactions with parent holding company (cumulative through calendar year) | \$0 | \$0 | NA | | |
| | | | | | |
| Performance Ratios | | | | | |
| Tier 1 leverage ratio | 8.3% | 5.6% | -- | | |
| Tier 1 risk based capital ratio | 11.1% | 8.3% | -- | | |
| Total risk based capital ratio | 12.4% | 9.6% | -- | | |
| Return on equity ¹ | -4.5% | -39.2% | -- | | |
| Return on assets ¹ | -0.4% | -2.3% | -- | | |
| Net interest margin ¹ | 2.8% | 2.6% | -- | | |
| Coverage ratio {(ALL+Alloc transfer risk)/Noncurrent loans}} | 24.4% | 54.1% | -- | | |
| Loss provision to net charge-offs (qtr) | 125.2% | 93.9% | -- | | |
| Net charge-offs to average loans and leases ¹ | 2.1% | 2.3% | -- | | |
| ¹ Quarterly, annualized. | | | | | |
| | | | | | |
| | Noncurrent Loans | | Gross Charge-Offs | | |
| Asset Quality (% of Total Loan Type) | 2009 | 2010 | 2009 | 2010 | |
| Construction & development | 31.6% | 13.9% | 1.0% | 4.2% | -- |
| Closed-end 1-4 family residential | 2.1% | 2.0% | 0.2% | 0.3% | -- |
| Home equity | 2.1% | 0.4% | 0.0% | 0.4% | -- |
| Credit card | 0.0% | 0.0% | 1.7% | 1.8% | -- |
| Other consumer | 2.0% | 2.4% | 0.1% | 1.1% | -- |
| Commercial & Industrial | 3.3% | 2.9% | 1.9% | 0.5% | -- |
| Commercial real estate | 3.3% | 6.5% | 0.0% | 0.0% | -- |
| Total loans | 8.9% | 4.9% | 0.5% | 0.6% | -- |